



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Authorize City Manager to Sign Exclusive Right to Negotiate Agreement with ProStyle Sports

MEETING DATE: October 21, 1998

PREPARED BY: Deputy City Manager

RECOMMENDATION: That the City Council authorize the City Manager to sign the attached Exclusive Right to Negotiate Agreement with ProStyle Sports.

BACKGROUND INFORMATION: The City Council directed staff to prepare an Agreement to be entered into by the City and ProStyle Sports for the exclusive right to negotiate on specified City-owned property for the development of a sports complex. The attached Agreement details the terms, conditions, and performance criteria for ProStyle Sports and allows for an exclusive right to negotiate on a 300± acres over the next two years. The Agreement also specifies that ProStyle Sports will be responsible for the cost of the Environmental Impact Report (EIR) which must be initiated within the first year of the two year Agreement.

FUNDING: None

Respectfully submitted,

Janet S. Keeter
Deputy City Manager

cc: John Verner, ProStyle Sports

APPROVED: _____

H. Dixon Flynn -- City Manager

EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT

The following conditions will apply for the term of an exclusive right to negotiate agreement between the City of Lodi (City) and Pro Style Sports (PSS):

1. City will extend to PSS a two-year exclusive right to negotiate agreement (ERN) on the subject 300± acres of City owned property located between I-5 and Thornton Road. The ERN may be extended by mutual consent of the parties providing that PSS is in compliance with all conditions of the ERN.

2. PSS shall pay to City Twenty-Five Dollars (\$25.00) Per Acre Per Year for this ERN Agreement payable upon execution of the ERN. Such money shall be applied towards PSS's lease with the City upon completion of EIR. Should development not proceed, City shall retain funds.

3. PSS shall pay all costs and fees associated with the preparation and approval of an Environmental Impact Report (EIR) to be prepared at the request of the City through its consultant. Such payment shall be made in full to City within ten (10) days prior to its award of a contract for the preparation of an EIR for the PSS project.

4. Within sixty (60) days from the execution of an ERN, PSS shall deliver to the Community Development Director of City, a detailed project description. The description shall include a description of each of the proposed facilities, size and anticipated number of attendees on a daily, monthly and yearly basis. Further, the project description shall identify the construction schedule for each identifiable component of the project.

5. Within One Hundred Twenty (120) days of receipt of a project description, acceptable to City, City shall be prepared to enter into an agreement with a qualified consultant of its choice to prepare an EIR.

6. PSS shall respond in a timely fashion to requests from City and/or its consultant for information required during the EIR process.

7. City may terminate the ERN should PSS fail to perform pursuant to the terms and conditions of the ERN.

8. Upon completion of the EIR, parties shall be prepared to complete negotiations relative to the property within One Hundred Twenty (120) days.

9. The ERN does not effect City's rights relative to the agricultural leases in place on the subject property at this time. Should PSS, upon completion of the EIR, determine to pursue the development of the project, PSS shall reimburse City for payments made to tenant farmers for their cost of planting alfalfa due to cancellation of agricultural leases.

10. City notes for the information of PSS, that California Government Code §37395 provides that a lease of City owned or controlled property for commercial development shall not exceed fifty-five (55) years.

CITY OF LODI, a municipal corporation

Dated: _____

H. DIXON FLYNN
City Manager

PRO STYLE SPORTS

Dated: _____

JOHN T. VERNER

Attest:

ALICE M. REIMCHE
City Clerk

APPROVED AS TO FORM:



RANDALL A. HAYS
City Attorney